AMENDED IN ASSEMBLY JULY 11, 2005

AMENDED IN ASSEMBLY JUNE 22, 2005

AMENDED IN SENATE JUNE 1, 2005

AMENDED IN SENATE MAY 12, 2005

AMENDED IN SENATE APRIL 11, 2005

SENATE BILL

No. 517

Introduced by Senator Romero

February 18, 2005

An act to add Sections 60851.1, 60852.7, 60852.8, and 60852.9 and 60852.8 to the Education code, relating to pupil assessment, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 517, as amended, Romero. High school graduation.

Existing law requires the Superintendent of Public Instruction, with the approval of the State Board of Education, to develop a high school exit examination in accordance with state academic content standards. Existing law requires, commencing with the 2003-04 school year and each school year thereafter, each pupil completing grade 12 to successfully pass the high school exit examination as a condition of graduation from high school. Existing law grants authority to the state board to delay, on or before August 1, 2003, the date upon which each pupil completing grade 12 is required to pass the high school exit examination as a condition of graduation from high school to a date other than the 2003-04 school year.

This bill would require the Superintendent of Public Instruction to certify that each high school ranked in deciles 1 to 3, inclusive, of the Academic Performance Index and identified for review by a county

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superintendent of schools offers full and equal access for all pupils to specified minimum conditions necessary for successfully passing the high school exit examination. This bill would require the Superintendent of Public Instruction, by September 1 of each year, to prepare and submit a report to the Legislature that compares specified conditions in high schools with regard to the high school exit examination. This bill would impose a state-mandated local program by requiring any school district, charter school, or other local educational agency with a high school not certified by the Superintendent to prepare and submit, by July 1 of each year, a report to the State Board of Education and the Superintendent that identifies the barriers to providing the minimum conditions necessary for success on the high school exit exam and specifies the actions to be taken by the school district to ensure that pupils will receive those minimum conditions.

This bill would require the Superintendent, by January 31, 2006, and subject to approval by the State Board of Education, to develop a request for a proposal for an independent consultant to perform specified duties, including, but not limited to, recommending alternatives to the high school exit examination that specified pupils can use to demonstrate eligibility for graduation from high school. This bill would appropriate \$400,000 from the General Fund for this purpose. The bill would provide that implementation of these provisions is subject to the availability of funding pursuant to appropriation by the Legislature in the annual Budget Act or in another statute, and that if state funding is not available for implementation of these provisions, these provisions may be implemented with the use of private funding that is sufficient to pay the costs of implementation.

This bill would establish a selection panel to be appointed as specified, and would require the panel, by April 30, 2006, to select an independent consultant. This bill would require the Superintendent of Public Instruction, by April 30, 2006, to establish a High School Exit Examination Advisory Panel, consisting of 13 members, as specified, to advise the independent consultant in performing his or her duties. This bill would appropriate \$100,000 from the General Fund for this purpose. The bill would provide that implementation of these provisions is subject to the availability of funding pursuant to appropriation by the Legislature in the annual Budget Act or in another statute, and that if state funding is not available for

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implementation of these provisions, these provisions may be implemented with the use of private funding that is sufficient to pay the costs of implementation.

This bill would appropriate \$57,000,000 from the General Fund for the 2005-06 fiscal year to the State Department of Education to distribute to school districts as a block grant for specified purposes. This bill would require that funds appropriated in specified Budget items be available for those purposes.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: yes-no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
 - (a) The Harvard University Civil Rights Project's report titled "Confronting the Graduation Rate Crisis in California" found that California's overall high school graduation rate was 71 percent for 2002.

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- (b) This Harvard report found that only 64 percent of all pupils in central city school districts graduate with regular diplomas. In racially segregated school districts, only 65 percent of all pupils graduate, and only 58 percent graduate in socioeconomically segregated school districts.
- (c) When high numbers of youth leave school ill prepared to contribute to our labor force and to civic life, our economy and our democracy suffer. The Harvard report found that the 66,657 pupils who were reported as dropouts from the California public schools in 2002–03 will cost the state \$14 billion in lost wages.
- 17 (d) A report by the University of California All Campus 18 Consortium on Research for Diversity (UC/ACCORD) found 19 that in the state's largest school district, Los Angeles Unified

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1 School District, fewer than half of the African American and 2 Latino pupils who start 9th grade complete grade 12 four years 3 later.

- (e) The number of pupils who are at risk of failing the state's high school exit examination is likely more than 100,000 statewide.
- (f) A 2004 survey of over 1,000 California teachers by pollster Lou Harris found that 10 percent of teachers reported pupils did not have access to their own standards-aligned instructional materials to use in class, and 32 percent of teachers reported that pupils did not have access to their own standards-aligned instructional materials to take home for homework. Thus, it is estimated that, at a minimum, 10 percent of pupils statewide do not have standards-aligned instructional materials to use in class, and 32 percent of pupils statewide do not have standards-aligned instructional materials to take home to use for homework. Schools with the highest concentration of pupils of color were 40 percent more likely than other schools to lack instructional materials.
- (g) The 2004 Harris survey found that teachers in the schools with the highest percentages of African-American, Latino, and Native American pupils report that they are 11 times more likely to be in schools in which more than 20 percent of the teachers are undercredentialed and lack the training to teach the state's content standards.
- (h) The most critical factor in pupil achievement is a qualified teacher. A recent report by Education Trust-West, titled "California's Hidden Teacher Spending Gap," reported dramatic spending gaps in teacher salaries within districts, with more highly paid teachers and, therefore, more experienced and highly credentialed teachers, concentrated in more affluent and white schools. Pupils of color and pupils from low-income families receive, at a disproportionately higher rate, instruction from underqualified teachers who have not been trained to teach the state's content standards.
- (i) A 2004 report by the Center for the Future of Teaching and Learning, titled "California's Teaching Force 2004: Key Issues and Trends," reported that in 2003–04, slightly more than 28,000 teachers or about one in every 11 California teachers were underprepared and teaching without benefit of having met the

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state's minimum qualifications, and without training to teach to the state's content standards. There are far more of these underprepared teachers in schools that have high failure rates on the high school exit examination. In schools where over 30 percent of pupils failed the mathematics portion of the exit examination the average percentage of underprepared teachers is 22 percent. By comparison, in schools where only 9 percent of pupils failed the mathematics portion, the average percentage of underprepared teachers is only 7 percent.

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- (j) California has recently acknowledged in the settlement of Williams v. State of California, that the established minimum thresholds for teacher quality, instructional materials, and school facilities are intended by the Legislature and the Governor to be a floor, rather than a ceiling, and a beginning, not an end, to the state's commitment and effort to ensure that all California pupils have access to the basic elements of a quality public education.
- (k) A 2004 survey of 34 high school principals from 19 school districts reveals that 59 percent of those principals do not have plans to ensure that all prehigh school pupils are prepared to receive instruction in each of the content standards.
- (*l*) A 2004 survey of 135 teachers and 23 high school principals from 53 schools in 19 school districts reveals that 49 percent of teachers and 48 percent of principals identified academic issues of entering high school below grade level proficiency and lacking adequate preparation as specific challenges their pupils face in passing the exit examination.
- (m) California ranks last in the nation in the ratio of pupils to counselors at 954:1. School counselors serve a vital role in promoting pupil achievement and serving as pupil advocates who focus on the relationships and interactions between pupils and their school environment, with the expressed purpose of reducing the effect of environmental and institutional barriers that impede academic success.
- (n) It is essential that California provide the minimum opportunities for all pupils to learn the skills and material that they need to learn in order to pass the high school exit examination.
- SEC. 2. Section 60851.1 is added to the Education Code, to read:

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60851.1. (a) The Superintendent shall certify that each high school ranked in deciles 1 to 3, inclusive, of the Academic Performance Index pursuant to Sections 52052 and 52056, and identified for review by a county superintendent of schools pursuant to subparagraph (A) of paragraph (2) of subdivision (c) of Section 1240, offers full and equal access for all pupils to all of the following minimum conditions necessary for successful passage of the exit examination:

- (1) Fully certificated teachers, including teachers for English learners, in core subject areas, to be determined based on the most current department data from the California Basic Educational Data System and, as necessary, on the annual Language Census conducted by the department.
- (2) Instructional materials, as defined in subdivision (h) of Section 60010, aligned with the content standards being tested on the exit examination. For purposes of this paragraph, the Superintendent shall utilize information from the annual instructional material review performed by the county superintendent of schools pursuant to subparagraph (E) of paragraph (2) of subdivision (c) of Section 1240.
- (3) Rigorous supplemental instruction programs for pupils who have not passed either part of the exit examination, which are in addition to the regular instruction of pupils, pursuant to subdivision (f) of Section 60851.
- (4) Counselor-to-pupil ratios of at least 1:476, so as to support the guidance of pupils in their successful passage of the exit examination, to be determined based on the most current department data from the California Basic Educational Data System.
- (b) By September 1 of each year, the Superintendent shall prepare and submit a report to the Legislature that does all of the following:
- (1) Identifies the high schools that do not meet the conditions for certification pursuant to paragraphs (1) to (4), inclusive, of subdivision (a), including the conditions in which each of the high schools identified is deficient.
- (2) Compares the high schools identified in subdivision (a) that have not been certified by the Superintendent to high schools where failure rates on the high school exit examination for the most recent graduating class are ten percent or less.

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(3) Compares the following conditions to the extent that data is available:

- (A) Failure rates on the high school exit examination.
- (B) Pupil access to fully certificated teachers, standards-aligned instructional materials, and rigorous supplemental instruction programs.
 - (C) Counselor-to-pupil ratios.

- (c) (1) A school district, charter school, or other local educational agency with a high school not certified by the Superintendent pursuant to subdivision (a) shall prepare and submit, by July 1 of each year, a report to the State Board of Education and the Superintendent that identifies the barriers to providing the minimum conditions necessary for success on the high school exit exam and specifies the actions to be taken by the school district to ensure that pupils will receive the minimum conditions specified in subdivision (a).
- (2) The governing board shall present the report required by paragraph (1) for public comment at a regularly scheduled meeting, before it is provided to the State Board of Education and the Superintendent.
- (3) For any high school that participates and receives funding through the Immediate Intervention/Underperforming Schools Program established pursuant to Article 3 (commencing with Section 52053) of Chapter 6.1 of Part 28, the High Priority Schools Grant Program established pursuant to Article 3.5 (commencing with Section 52055.600) of Chapter 6.1 of Part 28, or the federal Comprehensive School Reform Demonstration Program (20 U.S.C. Sec. 6511 et seq.), or is considered a program improvement school under the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.), the governing board of the school district or other local educational agency shall ensure that the action plan prepared for the school is used to fulfill the requirements of paragraph (1).
- SEC. 3. Section 60852.7 is added to the Education Code, to read:
 - 60852.7. (a) By January 31, 2006, the Superintendent shall develop, and the State Board of Education shall approve, a request for a proposal for an independent consultant to do all of the following:

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(1) Identify the barriers to successful completion of the high school exit examination.

- (2) Recommend alternatives to the high school exit examination that high school pupils, including, but not limited to, English learners and pupils who have not received sufficient instruction in English language arts and mathematics to pass the high school exit examination, can use to demonstrate eligibility for graduation from high school.
- (b) By April 30, 2006, a selection panel consisting of one representative appointed by each of the following persons and entities shall select an independent consultant:
 - (1) The President pro Tempore of the Senate.
- (2) The Speaker of the Assembly.
 - (3) The Legislative Analyst.
- 15 (4) The department.
 - (5) The Department of Finance.
 - (c) It is the intent of the Legislature that the independent consultant possess expertise on all of the following items:
 - (1) The Standards for Educational and Psychological Testing created by the American Psychological Association, the American Educational Research Association, and the National Council on Measurements in Education.
 - (2) Applicable state and federal laws on high-stakes testing.
 - (3) Fair assessment methodologies concerning English learners and pupils who have not received sufficient instruction in English language English-language arts and mathematics to pass the high school exit examination.
 - (d) (1) The independent consultant shall, in consultation with the advisory panel established pursuant to Section 60852.8, prepare a report that does all of the following:
 - (A) Identifies applicable principles and provisions of state and federal laws and regulations that are relevant to graduation requirements and assessments for pupils who are English learners, pupils who have not received sufficient instruction in English language arts and mathematics to pass the high school exit examination, and pupils who are members of the subgroups identified in Chapter 6.1 (commencing with Section 52050) of Part 28.
- 39 (B) Assesses the extent to which English learners, low-income 40 pupils, and pupils who are members of the subgroups identified

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in Chapter 6.1 (commencing with Section 52050) of Part 28 are being provided with fair and equal access to the content tested on the high school exit examination, with particular attention on schools where the first-time failure rate on the exit exam is 20 percent or greater for the graduating class of 2006.

- (C) Recommends the steps needed to bring California into full compliance with the state and federal laws and regulations identified in subparagraph (A) and to ensure that all pupils have a fair and equal opportunity to learn the content standards being tested on the high school exit examination and demonstrate proficiency in the content standards being tested on the high school exit examination.
- (D) Recommends options for graduation requirements and assessments for pupils who are English learners.
- (E) Recommends interim options for graduation requirements and assessments for pupils who have not received sufficient instruction in English language English-language arts and mathematics to pass the high school exit examination and for implementation until the time that pupils are provided with fair and equal access to exit examination test content.
- (F) Include the concerns and recommendations of the advisory panel.
- (2) The independent consultant shall submit a preliminary report of findings to the advisory panel established pursuant to Section 60852.8.
- (3) The independent consultant shall submit the final report to the members of the advisory panel, the Legislature, the Legislative Analyst, the Department of Finance, and the department no later than December 1, 2006. The independent consultant shall submit the final report to other interested parties, as appropriate.
- (e) The Superintendent may, upon approval of an expenditure plan by the State Department of Finance and the Joint Legislative Budget Committee, provide funds for the purposes of implementing the recommendations provided pursuant to subparagraphs (C) to (E), inclusive, of paragraph (1) of subdivision (d).
- (f) Implementation of this section is subject to the availability of funding pursuant to appropriation by the Legislature in the annual Budget Act or in another statute. If state funding is not

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1 available for implementation of this section, this section may be 2 implemented with the use of private funding that is sufficient to 3 pay the costs of implementation.

- SEC. 4. Section 60852.8 is added to the Education Code, to read:
 - 60852.8. (a) The Superintendent shall, by April 30, 2006, establish a High School Exit Examination Advisory Panel, consisting of 13 members, to advise the independent consultant selected pursuant to Section 60852.7. The members of the advisory panel shall be composed of the following individuals:
 - (1) Three parents or guardians of pupils in high schools with a first-time failure rate of greater than 20 percent on the high school exit examination for the first administration to the graduating class of 2006.
 - (2) Three teachers fully credentialed in the subjects being tested on the exit examination who work with low-income pupils and English learners.
 - (3) Two representatives of institutions of higher education that offer teacher preparation programs who are expert in curriculum and assessment, including performance assessment, and who work with low-income pupils, English learners, and pupils of color.
 - (4) Two school administrators whose duties relate to the provision of services to low-income pupils, English learners, and pupils of color.
 - (5) A representative from the department.
 - (6) A representative of a vocational, community, or business organization concerned with high school pupils attaining minimum academic and workplace skills upon graduation.
 - (7) A representative of community-based organizations providing services or advocating on behalf of low-income pupils, English learners, and pupils of color.
 - (b) The members of the advisory panel shall serve without compensation for a term of one year. The Superintendent shall also make every effort to ensure that the panel is representative of the state's ethnic and cultural diversity, as well as the state's diversity relative to urban, suburban, and rural areas, and is gender balanced. The department shall provide staff and resources to the advisory panel.

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(c) Implementation of this section is subject to the availability of funding pursuant to appropriation by the Legislature in the annual Budget Act or in another statute. If state funding is not available for implementation of this section, this section may be implemented with the use of private funding that is sufficient to pay the costs of implementation.

SEC. 5. Section 60852.9 is added to the Education Code, to read:

60852.9. (a) The sum of fifty-seven million dollars (\$57,000,000) is hereby appropriated from the General Fund for the 2005-06 fiscal year to the department for transfer to school districts as a block grant for exclusive use in the schools identified in subdivision (b) for any of the following purposes related to providing additional support to pupils who have failed or are at risk of failing the high school exit exam:

- (1) Hiring additional counselors to provide counseling for pupils identified as being at risk of failing the high school exit examination, particularly those in the early years of high school. It is the intent of the Legislature that this counseling include all of the following:
- (A) A review of the academic progress for the pupil, whether the pupil is performing at grade level, and the courses, programs and services they will need to prepare for and pass the high school exit examination.
- (B) An emphasis on regular meeting and review to ensure that the pupil is making satisfactory progress towards and is receiving the resources, programs, and services he or she needs in order to pass the high school exit examination.
- (C) An invitation and encouragement to the parent or guardian of each pupil to participate in the counseling program.
- (2) Hiring additional English language arts and mathematics teachers who are fully eredentialed to teach pupils identified as being at risk of failing the high school exit examination.
- (3) Class sizes of no greater than 20 pupils per teacher in English language arts and mathematics classes and classes providing supplemental instruction programs, pursuant to subdivision (f) of Section 60851, for pupils failing the high school exit examination.
- (b) The department shall allocate the funds specified in subdivision (a) to high schools in which the failure rate on the

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first administration of either the mathematics section or the English/language arts section of the high school exit examination for the graduating class of 2006 is 33 percent or greater. The funds appropriated pursuant to subdivision (a) shall be apportioned to school districts on the basis of one thousand eighty-six dollars (\$1,086) per pupil who took and failed the section of the high school exit examination exhibiting the higher overall failure rate at each eligible high school for the first administration to the graduating class of 2006.

(e) It is the intent of the Legislature that the funds apportioned pursuant to this section are to supplement, and not take the place of, existing funding.

SEC. 6. Of the funds appropriated in Schedule ___ of Item ____ of Section 2.00 of the Budget Act of 2005, the amount of fifty-seven million dollars (\$57,000,000) shall be available for the purposes of Section 60852.9 of the Education Code. The balance of five hundred thousand dollars (\$500,000) is appropriated to the State Department of Education for use as follows: (1) four hundred thousand dollars (\$400,000) for the purposes of Section 60852.7 of the Education Code and (2) one hundred thousand dollars (\$100,000) for the purposes of Section 60852.8 of the Education Code.

SEC. 7.—

SEC. 5. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.